MEMORANDUM OF AGREEMENT

BETWEEN THE TECHNOLOGY ADMINISTRATION, U.S. DEPARTMENT OF COMMERCE

And

THE UNITED STATES COUNCIL FOR AUTOMOTIVE RESEARCH

Agreement No	
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- I. <u>PARTIES</u>: This document constitutes an agreement between the Technology Administration (TA) of the U.S. Department of Commerce, including TA's National Institute of Standards and Technology (NIST) and TA's Office of Technology Policy (OTP), and the United States Council for Automotive Research (USCAR). TA and USCAR shall hereinafter be referred to as "the Parties."
- II. <u>AUTHORITIES</u>: The parties have authority to participate in this activity with one another.
 - A. TA's organic statutory authority, 15 U.S.C. Section 3704(c), authorizes TA to do the following:
 - 1. identify technological needs, problems, and opportunities within and across industrial sectors that, if addressed, could make a significant contribution to the economy of the United States (15 U.S.C. § 3704(c)(7));
 - 2. propose and encourage cooperative research involving appropriate Federal entities, State or local governments, regional organizations, colleges or universities, non-profit organizations, or private industry to promote the common use of resources, to improve training programs and curricula, to stimulate interest in high technology careers, and to encourage the effective dissemination of technology skills within the wider community (15 U.S.C. § 3704(c)(12));
 - 3. provide that cooperative efforts to stimulate industrial innovation be undertaken between the Under Secretary for Technology and other officials in the Department of Commerce responsible for such areas as trade and economic assistance (15 U.S.C. § 3704(c)(10));
 - 4. determine the relationships of technological developments and international technology transfers to the output, employment, productivity and world trade performance of United States and foreign industrial sectors (15 U.S.C. § 3704(c)(5));
 - 5. assess whether the capital, technical and other resources being allocated to domestic industrial sectors which are likely to generate new technologies are adequate to meet private and social demands for goods and services and to promote productivity and economic growth (15 U.S.C. § 3704(c)(8));

- 6. serve as a focal point for discussions among United States companies on topics of interest to industry and labor, including discussions regarding manufacturing and discussions regarding emerging technologies (15 U.S.C. § 3704(c)(13)); and
- 7. publish the results of studies and policy experiments (15 U.S.C. § 3704(c)(15)).
- B. NIST's statutory authority to participate in this Agreement and in the activities carried out pursuant to this Agreement are 15 USC 272 et seq., and 15 USC 3701 et seq.
- C. USCAR is a research and development partnership formed under the Laws of Michigan to strengthen the technology base of the automotive industry through lawful collaboration in research and development. USCAR has existing relationships with other governmental agencies that support these objectives.

III. <u>PURPOSE</u>: The purpose of this Agreement is to establish a framework for cooperation between TA and USCAR to facilitate technological research and development and to facilitate technology policy analysis directed at improving the manufacturing competitiveness of the U.S. automotive industry. This cooperation shall be known as the United States Alliance for Technology and Engineering for Automotive Manufacturing (US A-TEAM). Pursuant to this Agreement, the parties may exchange information, conduct cooperative research, and collaborate and jointly explore new R&D and manufacturing production paradigms in the automotive industry and the resulting implications for U.S. policies in science and technology, standards, international trade, education and training, and telecommunications and information technology. The parties will engage with the U.S. automotive supplier base, where appropriate, to accelerate the development and diffusion of new manufacturing technologies.

IV. <u>MUTUAL INTEREST OF THE PARTIES</u>: This Agreement and all activities of mutual interest engaged in by the parties will benefit TA by contributing to the agency's mission of maximizing technology's contribution to U.S. economic growth, productivity, competitiveness and job creation. USCAR, its member companies and the U.S. automotive supplier base will benefit through (i) better knowledge of existing Federal research and development activities that could improve the manufacturing competitiveness of the industry, (ii) increased opportunity to engage in joint research and development activities, and (iii) enhanced access to TA's expertise on technology policy issues.

V. RESPONSIBILITIES OF THE PARTIES:

The Parties agree to explore activities falling within the scope of items II, III and IV. To facilitate this cooperation, the parties intend:

A. To engage in an ongoing dialogue about current and anticipated automotive manufacturing challenges and Federal research activities and programs that offer the potential to address these challenges.

- B. To identify and undertake, where there is mutual agreement, joint research using streamlined mechanisms. The parties initially have identified three broad areas for information exchange and possible cooperative research:
 - 1. digital/virtual tools: to research and enhance the representational and analytical capabilities in advanced software tools to further their viability for high volume, automated manufacturing;
 - 2. plant floor controllers: to study next-generation control systems and high performance communication networks applied to the manufacturing environment; and
 - 3. ergonomics: both to extend the scientific understanding of how people respond in real world production tasks and to explore potential advances such as intelligent assist devices and cobotics technology.

From this initial list, the parties intend to expand the scope of possible collaborative activities potentially affecting the manufacturing competitiveness of the U.S. automotive industry.

- C. USCAR will physically host and provide support services for a TA/NIST liaison at USCAR headquarters in Michigan.
- D. To conduct meetings, seminars, conferences, and other fora, as mutually deemed appropriate, that are relevant to manufacturing technology and public policy issues affecting the competitiveness of the U.S. automotive industry.
- E. USCAR will provide facilities and support services for government-auto industry meetings, symposia and other similar activities as the parties may agree.
- F. To establish a high-level government-industry steering group for manufacturing R&D, comprised of the Under Secretary of Commerce for Technology, Assistant Secretary of Commerce for Technology Policy, the Assistant Secretary of Commerce for Manufacturing and Services, the Director of the National Institute of Standards and Technology and the Advanced Manufacturing Vice Presidents of the three USCAR member companies.
- G. TA will establish a government secretariat in the Office of the Under Secretary for Technology to facilitate Federal participation in this cooperation. USCAR will perform a similar function for the U.S. automotive industry participants in this cooperation.
- H. To collaborate, as mutually agreed, on appropriate studies and activities related to manufacturing and the competitiveness of the U.S. automotive industry.
- I. TA will serve as the portal for other Federal agencies interested in participating in this cooperation. As mutually agreed upon by the members of the government-industry steering group for manufacturing, as detailed in article F above, representatives of other Federal agencies may be added to the government-industry steering group for the cooperation.

It is stipulated that there are no pre-existing obligations between the parties. Activities under this Agreement will be undertaken pursuant to separate implementing agreements, to be agreed upon by the parties.

VII. <u>RESPONSIBILITY FOR COSTS:</u> Unless stipulated otherwise in a separate implementing agreement, each party will bear its own costs, and there are to be no exchanges of funds. Neither party is required to obligate funds to further the activities contemplated under this Agreement.

VIII. <u>CONTACTS</u>: The contacts of each party to this agreement are:

John F. Sargent Senior Policy Analyst Office of Technology Policy U.S. Department of Commerce 14th Street & Constitution Avenue, NW, Room 4823 Washington, DC 20230

Phone: **202-482-6185** Fax : **202-501-2595**

E-mail: jsargent@technology.gov

Pat Flaherty
Executive Director
USCAR
2000 Town Center
Southfield, Michigan 48075-1123

Phone: **248-223-9009** Fax: **248-223-9021**

E-mail: paflaherty@uscar.org

The parties agree that if there is a change regarding the information in this section, the party making the change will promptly notify the other party in writing of such change.

X. <u>PERIOD OF AGREEMENT AND MODIFICATION/TERMINATION</u>: This Agreement will become effective when signed by all parties. The Agreement will terminate on September 30, 2009, unless sooner terminated by the parties. Any party may terminate this Agreement by providing one hundred twenty (120) days advance written notice to the other party. In the event this Agreement is terminated, each party shall be solely responsible for the payment of any expenses it has incurred. This Agreement may be amended at any time by written agreement of the parties.

XI. <u>OTHER PROVISIONS</u>: Should any disagreement arise on the interpretation of the provisions of this Agreement, or amendments and/or revisions thereto, that cannot be resolved at the activity operating level, the area(s) of disagreement shall be stated in writing by each party and presented to the other party for consideration. If the parties fail to resolve the disagreement within a reasonable time after written presentation to the other party, but in no case later than thirty (30) days after both parties have received such presentation, the parties shall forward the written presentations of the disagreement to respective higher officials for appropriate resolution.

XII. <u>AUTHORIZED SIGNATORIES</u>: This Agreement is executed by the duly authorized individuals whose signatures are affixed below:

TECHNOLOGY ADMINISTRATION

By: Phillip J. Bond, Under Secretary for Technology U.S. Department of Commerce	Date
By: Hratch Semerjian, Acting Director, National Institute for Standards and Technology	Date
UNITED STATES COUNCIL FOR AUTOMOTIVE RESEARCH	H
By: John Felice, Vice President, Advanced Manufacturing Engineering, DaimlerChrysler	Date
By: Alex P. Ver, Vice President, Advanced & Manufacturing Engineering, Ford Motor Company	Date
By: Jerry Elson, Vice President of General Motors and General Manager General Motors Vehicle Operations	Date
By: Mark Chernoby, Vice President, Advanced Vehicle Engineering, DaimlerChrysler Corporation	Date
By: Gerhard Schmidt, Vice President, Research and Advanced Engineering, Ford Motor Company	Date
By: Lawrence D. Burns, Vice President, GM Research and Development and Planning, General Motors Corporation	Date